

Message Text

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C O N F I D E N T I A L OTTAWA 0037

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TAGS:, TECH, PARM, ENRG, CA, US

SUBJ: CANDU NUCLEAR REACTOR FOR KOREA

REF: OTTAWA 4190, STATE 000635

IN RESPONSE TO STATE REFTTEL, AVAILABLE NON-COMMERCIAL INFORMATION CONCERNING CANADIAN NUCLEAR POWER REACTOR SALE TO KOREA IS SUMMARIZED AS FOLLOWS:

1. GENERAL TECHNICAL INFORMATION:

A. UNIT TO BE SUPPLIED WILL BE AECL "STANDARD 600 CANDU". ACTUALLY, DESPITE BEING CALLED OFFICIALLY A STANDARD 600 THIS REACTOR HAS NEVER BEEN BUILT. THE PICKERING UNITS ARE SMALLER AND BRUCE UNITS ARE LARGER. AT PRESENT, THERE ARE FOUND STANDARD 600'S COMMITTED - ONE EACH FOR QUEBEC, NEW BRUNSWICK, ARGENTINA AND KOREA.

B. UNDER ANTICIPATED COOLANT CONDITIONS AT KOREAN SITE IT IS CURRENTLY ESTIMATED THAT THE KOREAN REACTOR WILL COME ON LINE AT 628 MEGAWATT ELECTRICAL (NET).

C. CONTRACT CALLS FOR "MAXIMUM CANADIAN PARTICIPATION." UNDER THIS PROVISION, CANADA IS PLANNING APPROXIMATELY A
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50-50 ENGINEERING SPLIT WITH PARSONS (UK) ON TURBO-

GENERATOR UNIT. AS PREVIOUSLY REPORTED IN OTTAWA A-661, DEC 28, 1974, THERE HAS BEEN CONSIDERABLE UNHAPPINESS IN CANADA WITH THE STATE OF WET-STEAM TURBINE TECHNOLOGY. A 50-50 SPLIT WITH PARSONS IS THEREFORE BID BY CANADIANS TO ACQUIRE GREATER TECHNOLOGICAL CAPABILITY IN TURBINE FIELD.

2. ENGINEERING TARGETS:

A. AECL HOPES TO HOLD GROUNDBREAKING CEREMONIES IN MID-1975. THEIR TARGET IS APRIL OR MAY, BUT PRIVATELY THEY WOULD NOT BE SURPRISED IF IT IS EVEN EARLY FALL. CONSTRUCTION SCHEDULE IS TO CONTINUE FULLY TO CRITICALITY FROM GROUNDBREAKING.

B. SITE WILL BE DESIGNED TO HANDLE TWO REACTORS ALTHOUGH ONLY ONE WILL BE BUILT UNDER PRESENT CONTRACT. IF KOREANS WERE PREPARED TO ACCEPT SECOND REACTOR UNDER "NEAR DUPLICATE" CONDITIONS EMPLOYED BY CANADIANS IN BUILDING THEIR DOMESTIC NUCLEAR POWER STATIONS, AECL ESTIMATES THAT AS MUCH AS 15-20 PERCENT MIGHT BE CUT OFF THE CONSTRUCTIONS SCHEDULE FOR SECOND REACTOR.

3. SAFEGUARDS:

A. KOREA HAS INDICATED TO CANADIANS FULL ACCEPTANCE OF IAEA SAFEGUARDS.

B. CANADIANS ARE URGING KOREA TO SIGN NPT BUT IT WAS NOT A CONDITION FOR SALE OF FIRST REACTOR.

C. CANADIANS HAVE INDICATED THAT THEY DESIRE A FORMAL BILATERAL IN ADDITION TO IAEA SAFEGUARDS, AND KOREANS HAVE RESPONDED THAT THERE IS NO OBJECTION IN PRINCIPLE TO THE BILATERAL. ACCORDING TO SENIOR OFFICIALS, KEY PROVISIONS OF BILATERAL WOULD INCLUDE GUARANTEES BY KOREA AGAINST THE TRANSFER OF ACQUIRED TECHNOLOGY WITHOUT CANADIAN APPROVAL. ON THIS POINT, CANADIANS REPORTEDLY MADE IT PLAIN THAT THEY COULD APPROVE ONLY IF THIRD PARTY ACQUIESCED IN FULL SAFEGUARDS ARRANGEMENTS COMPATIBLE WITH THE BASIC CANADIAN POLICY. SAME BASIC CONDITIONS APPLIED TO FUEL RE-
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PROCESSING BY KOREANS. FINALLY, BILATERAL WOULD CONTAIN EXPLICIT AND UNEQUIVOCAL GUARANTEE BY KOREA NOT TO USE MATERIALS, EQUIPMENT OR TECHNOLOGY TO PRODUCE ANY NUCLEAR EXPLOSIVE DEVICE. THE GUARANTEE AGAINST USE TO PRODUCE A NUCLEAR DEVICE WOULD BE IN ABSOLUTE TERMS, I.E., A DEVICE FOR EITHER PEACEFUL OR MILITARY PURPOSES WOULD BE PROHIBITED.

D. FINALLY, GRAY (RETIRING PRESIDENT OF AECL) STATED TO
AMBASSADOR THAT PRESENCE OF U.S. TROOPS IN KOREA WAS
"INDISPENSABLE FACTOR" IN CANADIAN AGREEMENT TO SUPPLY
THIS REACTOR. PORTER

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